

Summary

Rep. John Conyers' New Medicare Prescription Drug Bill: "The Medicare Prescription Drug Affordability Act of 2005"

HR 4395

- ☐ Creates a Medicare Part D Prescription Drug Program, with no gaps in coverage and no "donut holes."
- ☐ Must be 65 and older, or disabled as defined under current eligibility laws for Medicare. Medicare recipients will receive a Medicare Prescription Drug Card in the mail after becoming eligible for Medicare.
- ☐ Medicare program beneficiaries above **150%** of the poverty level would receive a **90% subsidy** for the costs of their prescription drugs, and the beneficiary would cover **10%** of costs.
- ☐ Medicare program beneficiaries who are below between **150%** of the poverty level will pay a **\$1.00** co-pay for generic drugs, and **\$3.00** for brand name drugs, or receive a **90%** discount if it is the best price.
- ☐ **No assets test.** Only one's annual income will be considered when determining the prescription drug benefit.
- ☐ Allows for legal importation of drugs from Canada, and drugs from other OECD countries, as long as they have been approved by the FDA. This includes importation of drugs by pharmacists, wholesalers, retailers, and individual consumers.
- ☐ Mandates that the federal government have complete latitude to negotiate price reductions, or any other price related matters with pharmaceutical companies.
- ☐ By law, seniors who are currently enrolled in the traditional Medicare fee for service program can not be forced into private HMO's or private health insurance plans which provide health care services for the elderly and disabled. This applies to those currently enrolled in the Medicare program, and all future enrollees of the Medicare Program. Those who are eligible for Medicare, either currently, or in the future, and have opted to enroll in private health care plans for their health care, may at any time switch to the traditional fee for service Medicare program without penalty.
- ☐ Those who are eligible for both Medicaid and Medicare may still receive Medicaid rap around services under this Medicare Prescription Drug program.
- ☐ **Creates a Medicare Prescription Drug Quality & Cost Effective Control Board** to study how to maintain quality, and reduce costs of prescription drugs through more government sponsored research and development of drugs, and the use of patents that will reduce the price of prescription drugs. The FDA should be able to require drug companies to test their new drugs against existing drugs, as opposed to placebos.

Cost of Prescription Drugs Under Rep. John Conyers' Medicare Prescription Drug Affordability Act

Cost Of Drugs for Individual:		
Below 150% of poverty level = \$13,590 ✓ \$1.00 generic ✓ \$3.00 brand ✓ 90% subsidy; recipient covers 10% of costs.	Above 150% of poverty level, \$13,590 for an individual ✓ 90% subsidy; recipient covers 10% of costs.	Projected Cost of "Medicare Prescription Affordable Drug Act" = \$856 Billion over 10 years

* Please forward your comments to **Joel Segal** or **Ludmilla Scott**, legislative assistants, Rep. John Conyers, 202 225-5126, Ludmilla.Scott@mail.house.gov or Joel.Segal@mail.house.gov